



Environmental Audit Committee

Oral evidence: [An environmental scorecard](#), HC 215

Wednesday 9 July 2014

Ordered by the House of Commons to be published on 9 July 2014.

Written evidence from witnesses:

- [WWF](#)
- [RSPB and Wildlife Trusts](#)

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Members present: Joan Walley (Chair), Peter Aldous, Neil Carmichael, Zac Goldsmith, Mark Lazarowicz, Caroline Lucas, Caroline Nokes, Dr Matthew Offord, Mrs Caroline Spelman, Dr Alan Whitehead.

Questions: 1–46

Witnesses: **Andrew Raingold**, Executive Director, Aldersgate Group, **Martin Harper**, Conservation Director, RSPB, **Steve Trotter**, Director for England, The Wildlife Trusts, **Trevor Hutchings**, Director of Advocacy, WWF, and **Martin Spray**, Chief Executive, Wildfowl and Wetlands Trust gave evidence.

Q1 Chair: May I start our inquiry into an environmental scorecard by apologising for the inappropriateness of the room? It feels as if I need binoculars and you might need a loudspeaker. Certainly, it was a choice between having this room, where our proceedings are broadcast, or a room where our proceedings would not have been broadcast. I do hope we will be able to communicate across this large distance.

Having said that, we attach great importance to the environmental scorecard inquiry, which we are just launching, and we very much hope that it will be an opportunity, not least for the political parties, to perhaps take note of these important issues, which we will be debating in

this session and in a future one. Can I also point to the importance of the National Audit Office briefing on environmental protection, which we turned to the NAO to do?

Because of the expertise that you each have, I want to start off our questioning by asking how we get the balance between the overall strategic importance of this debate and the very detailed policy considerations that comprise the strategic aspect of it. Perhaps the starting point is that the NAO has assessed progress in 10 key areas, and I just wonder whether or not there is a consensus among the panel as to the areas where perhaps more work or greatest deterioration is taking place.

What are the strongest warning red light areas that come out of this? I do not know how we are going to manage the five of you, whether you have a spokesperson or whether you want to just agree—yes, take it like “University Challenge”, Mr Harper.

Martin Harper: We have tried to orchestrate ourselves a bit, but I think you will be the judge of whether we have managed to do so successfully. First, can I say thank you very much for inviting us to give evidence? We think it is a very timely inquiry, particularly given where we are in the political cycle.

Chair: Good.

Martin Harper: Our starting point really is that the Government has very laudable ambitions—as, indeed, have previous Governments—for being the first generation to pass on the natural world in an enhanced state; it has lots of great outcomes, as outlined in the “Natural Environment White Paper” and the biodiversity strategy. However, as the National Audit Office briefing spelt out, many of the important metrics—for example, relating to the natural world—are flat-lining at best when they should be improving. If one looks at what is happening to the condition of our finest wildlife sites, to some of our habitats and to the condition of water, you would have thought that they should be showing an uplift and they have not been. That is of great concern to us. We are curious as to why that has been the case and we have some reflections to offer.

Our starting point might be that there is a mismatch between ambition and available resource capability and capacity. Within society, of course, Government has a role to play in that. The urgency really relates to how, from a natural environment point of view, we can live the utopian dream that Professor Sir John Lawton laid out in his “Making Space for Nature” agenda, which is how do you rebuild landscapes bigger, better, more joined up, which ultimately will help nature survive a changing environment. At the same time, as well as delivering that and how Government can make it easier to do that, how can Government also do more to deal with the growing threats on the natural world? There are supposedly the four horsemen of the ecological apocalypse of invasives, of habitat destruction, of pollution—worst expression being climate change—and, indeed, over-exploitation.

We start from the point of view of looking at those metrics, thinking that they are not going in the right direction. Our feeling over the last few years has been that there has been a perception in some quarters that the environment is a constraint on prosperity and growth and we would strongly refute that. We think there is growing evidence, which we can talk about later, to counter that claim.

At the same time, and slightly contradictory in a way, over the last four years there has been a growing understanding and appreciation of the value of the natural world to us as humans, starting with the National Ecosystem Assessment, which was produced in 2011, and indeed the establishment of the Natural Capital Committee. We think that how we make sure that the true value of nature is taken into account in decision making is one of the critical things that we need as society to address. It is an immature agenda at the moment, but we have made progress over the last few years.

No doubt we will come on to some good things and bad things that have happened recently, but in terms of looking to the future—this is the end of my opening remarks on behalf of my colleagues—we are very keen to try to ensure how we take forward that valuation agenda and also how we organise ourselves from a governmental point of view, national and local, including agencies, to make landscape-scale conservation more of a reality, to remove the threats that I refer to ultimately and earlier. Then, finally, part of Government's role and NGO civil society organisations like ourselves' role is to be in the business of communicating hope and how we inspire individuals to take action in their own lives and hopefully encourage politicians to make pro-environmental choices.

Those were our opening remarks and hopefully we can bounce off some of them or, indeed, address your questions.

Q2 Chair: Sure. I think those opening remarks are helpful to the Committee. I just wanted to stay with the strategic role for a while, if I may. How do you think that that can best be accommodated within Government decision making so that we are not just talking about estates management or individual policy areas but you are embedding this thinking that you referred to across what the Treasury and other Government Departments do? Is the proposal that the RSPB put forward in respect of having the recommendations about the Natural Capital Committee and embodying that the way to do it? Do we need something more overarching in terms of influencing Government strategy, akin perhaps to the Climate Change Committee, and put it on a statutory footing, or something more like the Office for Budget Responsibility with an environmental flavour to it? How do we ensure strategically that this is underpinned in all aspects of Government policy?

Martin Harper: In the spirit of orchestration, Trevor, my colleague from WWF, was going to address this one, Chair.

Chair: By all means, yes.

Trevor Hutchings: Wonderful, thank you very much. This is, for us, the real nub of the issue: how do you improve decision making not just within Defra and DECC but across all Whitehall Departments to properly value nature in decision making? Too often, it is attached as a value of zero and, therefore, that is leading to degradation of some of our key natural assets and risking the benefit that those assets derive to the economy. I think that is very important.

How do we embed that? I would perhaps draw the Committee's attention to the Bill that the Welsh Assembly has introduced just this week, the Well-being of Future Generations (Wales) Bill, which in my understanding is trying to do exactly that. How does it embed decision making? If this Bill becomes an Act in Wales, we very much hope that it will oblige all public bodies in Wales to exercise their powers in pursuance of sustainable

development, to put it in a short term. That is then obliging the proper consideration of the impact on the natural world of all decision making—not just in the environmental sector, but housing, transport and so on. That is a very good starting point.

Then also the point about how you perhaps have some oversight, independent scrutiny, of such an arrangement. The analogy with the Committee on Climate Change I think is a very good one in the sense we are very supportive of the work of the Committee, although, of course, it has a very narrow focus on carbon. Is there a model that we could look at that would also then provide that same level of scrutiny across the wider environmental agenda? I think that is very much an idea that we would like to see pursued.

Q3 Chair: Okay. Can I press you a little bit on that, then? Some of the issues that we are looking at in other inquiries of this Committee—take, for example, air quality. We see, for example, that improved air quality standards might lead to enhanced or greater fuel consumption. The question then begs itself as to how policy gets determined that takes account of environmental protection and also climate change issues. How do you have that overarching mechanism so that you do not end up with a new set of silos? I know it is something that, Mr Raingold, you have been involved in in terms of the relationship of that to the Treasury. For example, if we were looking at the growth funding that has just come out this week, how do we proof that as far as environmental and natural capital considerations are concerned?

Andrew Raingold: Could you just provide a bit more information on the engagement you thought we had with the Treasury on this?

Chair: I thought that the Aldersgate Group had expressed views about the importance of the Treasury and everything to do with the “Green Book” being very much, if you like, the foundation on which policy objectives get developed.

Andrew Raingold: Yes, absolutely. I think valuation is absolutely key here. The Aldersgate Group and lots of our business members are very supportive in the way that the Natural Capital Committee has attempted to shine a light on the valuation of natural resources because if they are not valued, at the end of the day if they are not measured, they do not get managed. How we can then incorporate that into decision making is, I suppose, where your question is leading to. That is where the Natural Capital Committee has almost got to at the moment. They have been strong on the data, but the next really big challenge is how that makes a difference in policy.

Valuation is very important. I would also agree with Trevor’s point on the Committee on Climate Change. That has been really effective in bringing the Government to account and providing an advisory role. It is very independent and it has the legal underpinning. That kind of model for the Natural Capital Committee could really help in terms of the policy development.

Chair: Right, okay. Yes, Mr Trotter?

Steve Trotter: All that is absolutely right, but it is really important that we also have a big vision. We need a big vision for society from Government to show us the ambitious direction of travel that we want to go in. All the policy options of the legislative framework need to be focused on the outcomes that we are looking for as a society. At the

moment, we do not necessarily have those in place and it is really important we look to nature's recovery in the next generation and to reverse the trends in the metrics that we have been seeing. We need that big vision, which then leads in a joined-up and consistent way through all the policy instruments and the policy levers that we might have to make sure that we have a joined-up and consistent approach across Government and also in civil society and among corporate organisations, too, so that, in effect, we are all pulling in the same direction.

Q4 Chair: Just going back, do you have views on whether or not something like enshrining the NCC report or an Office of Environmental Responsibility, either of those, might be options to find this overarching mechanism?

Trevor Hutchings: I certainly think that is part of the solution. The NCC is a time-limited organisation; we would like to see that very much underpinned in a body that has firm legislative underpinning. An OER-type model that WWF has been advocating is something that we would very much welcome as a step towards achieving that coherence across all of Whitehall Departments.

Chair: Any more views? Yes, Mr Harper.

Martin Harper: It is just a small point. I think that the most important thing is to assess what the function is. Our feeling is that we want an independent, powerful body to be able to report truth unto power about the state of our natural world and then to encourage Government to do something about it and potentially to scrutinise and policy interventions. We think that we have seen that being done, for example, through the Committee on Climate Change, and over the last few years we have not seen Natural England or the Environment Agency, for example, being able to put out information into the public domain that is then to a certain extent communicating what the scale of the challenge is.

We think it very important for Government to be able to have that independent assessment of what is happening, which they then need to obviously do something about. There are various formulations—Natural Capital Committee, Office of Environmental Responsibility—but I think we are all absolutely at one that we want monitoring and reporting in the public domain to encourage scrutiny of progress.

Q5 Chair: Okay. My initial question in terms of areas of poor performance, deteriorating performance—you mentioned flat-lining—I would like to give each of the witnesses an opportunity to say areas where you think we could be doing a lot better.

Martin Spray: Okay, shall I start?

Chair: Yes, Mr Spray, please do.

Martin Spray: Water is an obvious one for me to talk about given the recent flooding problems and the Somerset Levels. It exemplifies for me the problem that we endlessly create for ourselves when we do things in a piecemeal way over great periods of time; they come back and bite us in the neck in the end. I think this is one example where, for instance, there was a lot of talk about dredging afterwards and dredging is clearly a part of a solution in certain places, but it does need a much more strategic look across the country at how we are managing our land, how we are holding backwater, how we are managing

that water supply, where we are building. All of those things have to be brought together into a national strategy because where we get it wrong it usually ends up costing us even more in the long run. I think that is the big issue for me there, yes.

Trevor Hutchings: I could go on and talk about the Fourth Carbon Budget review, but I will focus, if I may, on international leadership on environment.

Q6 Chair: Can I just say that all our Committee reports stand alone but they also stand together in a cross-cutting way? You will be aware that one of the recommendations of an earlier EAC report was that there should be a commitment to going ahead with the Fourth Carbon Budget.

Trevor Hutchings: Wonderful, good. International leadership, if I can put that one forward. Over the next 18 months we are going to see some huge international moments with the global climate change deal, we hope, and also the development of a successor to the Millennium Development Goals, the Sustainable Development Goals, setting the scene for the next 15 years, which will help shape trillions of dollars of international development spend. We would like to see DfID and the UK Government taking much more of an active role in embedding environmental considerations into that SDG framework. At the moment, it is certainly about poverty reduction, but we put poverty reduction with environmental sustainability. You cannot have one without the other, but we are not seeing DfID coming forward with that.

The indication that we get from international colleagues is that the UK could be seen as an obstacle in some of these negotiations, so that is something that we would much rather see turned round. The Secretary of State for Defra attended the Convention on Biodiversity back in 2010, but there was no representation at a similar event in 2012. We have the similar event coming up in September this year where we are not clear that Defra is really on the stage. We would very much want them to be so.

Q7 Chair: How would you respond to the concern that the Committee has that, for example, when we asked the NAO to look at the environmental protection list of headings that need to be addressed in the UK, immediately we get into this agenda of the Sustainable Development Goals and their merging into the Millennium Development Goals and the fact that that does not really feature on how we are served by the NAO in respect of that? Once the SDGs get incorporated into the MDGs, these issues of sustainability are going to be priorities for everyone in the developing countries as well as elsewhere.

Trevor Hutchings: They certainly in our view should be a priority here for the UK Government. Some of the assets that we are talking about, whether it is air quality, water and so on, do not respect international boundaries, so these have to be managed internationally. The SDGs are going to be a global framework to do so and they are more than just poverty reduction. They need to be looking at the whole range of climate development and poverty reduction issues of which environment has a key part to play across all of them.

Chair: Okay, thank you. Any other points that anyone wishes to make? Yes, Mr Trotter.

Steve Trotter: I think the big strategic issue is—again, it has been touched on already—how we value nature and the contribution that habitats and species give, the benefits that

are provided to people and society. That translates at national and local level. We certainly have a major concern about the way in which local wildlife sites are being a combination of neglected, developed and intensified. This is the network of a semi designation below SSSI level and we have a lot of them. They are the building blocks of biodiversity in the UK and they are a critical part. This is where most of our biodiversity, the common and garden species that we all love and treasure, reside and we are seeing signs that they are suffering significantly from a whole range of pressures. We are simply not seeing any defence of the continued degradation and erosion of the assets that we have in terms of our natural capital.

Q8 Chair: Okay. You may not have had a chance to have done this, but given the growth funding announced this week by the Government, is there any mechanism by which you would assess the funding that has been awarded to local enterprise partnerships around the country to see how the well-being of different wildlife sites that you have just referred to are either enhanced or made worse by that announcement?

Steve Trotter: In terms of this week's announcement, we have not had a chance to look at that in detail, but these front-line issues tend to be fought out through local planning decisions and through local planning debates. We certainly see some quite significant decisions being taken that are detrimental to the local wildlife sites. The key issue I think for us is that it is not an anti-growth or an anti-jobs agenda. It is about how we can integrate nature and the benefits that it can provide with growth. How can we grow and be green at the same time? Countless housing proposals, transport proposals, industrial proposals, all impinge on this area.

Martin Harper: A small point, if I may. I think that is absolutely right. There is evidence to suggest that the natural environment contributes up to something like £27 billion to the economy each year, 750,000 jobs that are associated with it. Our worry is that all of the investment is going into the local enterprise partnerships and no investment is going to the local nature partnerships, which are meant to be of similar standing and status within the new local system.

The worry is that the wider socio-environmental considerations may not be taken into account through the local enterprise partnerships that will be administering those funds. Unless you bring them more actively together, inevitably you will be skewed more towards traditional forms of infrastructure development rather than the wider agenda where we know, going back to Somerset Levels, Somerset Levels post flooding has seen enormous boon in bed and breakfast accommodation because of the wildlife value of the levels. That is another hidden part of the story that the natural environment does attract people to go and visit it because they are beautiful places to go to see wildlife. How do we get the investment to make those places more attractive to people in the future? That again can drive genuine economic growth.

Chair: Okay. Did you want to come in, Mr Hutchings?

Trevor Hutchings: A very quick point. To your question, this is what we are saying, that any kind of investment vehicle like that or any other major decision, if it is properly appraised through "Green Book" guidance that properly values natural capital, that is where we would expect to see that happen so that, as those programmes of expenditure are

rolled out, they have had the full consideration of the environmental impacts and opportunities that there are from such a fund.

Q9 Peter Aldous: Madam Chairman, I have a number of questions that I am following up with, but I would just like to pick up one particular issue there. We talked about the relationship with the LEPs. I would be interested to talk with Mr Harper and Mr Trotter because I am aware you have officers throughout the country. Have those officers engaged with the LEPs and promoted their cause? If so, what sort of feedback have they received?

Steve Trotter: It is largely a mixed picture. There are one or two local nature partnerships and local enterprise partnerships that have a good dialogue and have worked closely together, but I think the bigger picture is that mostly there is very little communication between the two. That has been a bit of a difficulty in the establishment of the local nature partnerships and it has been very hard. Many of them have tried very hard, I think, but the priorities and agendas of some of the LEPs perhaps have not necessarily been shared openly. Essentially, LNPs have found it very difficult to engage with LEPs.

Martin Harper: What has happened over the last few years is that we are reorganising ourselves to try to influence at a local level and trying to ensure that the voice of the natural environment is heard. That is taking time and effort and perhaps we have not had the level of support that we would have liked for the LNPs compared to the LEPs.

Q10 Peter Aldous: Thank you very much. I will come on then to questions that I was going to put to the panel. Just before doing so, I will draw attention to the fact that I am a parliamentary supporter of the Aldersgate Group and one of my final questions will be on the CAP, and I am a partner in a family farm. Before getting into that detail and looking at specific environmental areas, I just want to get the panel's assessment of their views of the effectiveness of different types of policy lever. I think we are looking at regulation, legislation, public education and whether it is fiscal incentives or penalties. I would welcome the panel's view as to what they think is the most effective type of policy lever.

Trevor Hutchings: Perhaps if I may start, the key to this is having absolute clarity on what needs to be achieved first, through policy decision making. We have touched a little bit here on the weaknesses that we see in the current system of policy making, not valuing natural capital correctly.

Assuming there is a well thought through policy, then there are a range of instruments to implement that. Regulation is one and there are various others. It is at the time, depending on what the policy is, that one needs to determine what is the best way of implementing it, but my observation at the moment is that there appears to be a bit of an allergic reaction to regulation, whereas, of course, a majority of benefits and flagship environmental policy has come about through effective regulation, whether that is at UK level or at European level.

I do not think that the Government should feel an allergic reaction to regulation. It can be very effective. I think, though, we need to be much better at reducing unnecessary burden on businesses to comply with such regulation, but regulation can be very effective. It can set common standards, whether that is on energy efficiency or whatever it may be, and there have been some great advances through that.

Also, setting the regulation, as I say, whether it is at European level—because some of the things that we need to protect do not respect national boundaries—I think that is very appropriate as well. That is not to rule out other instruments, whether it may be league tables, whether it is taxation. There is a whole raft of instruments, but the focus away from regulation at the moment I think is perhaps denying an opportunity to implement things in the best way.

Andrew Raingold: I would certainly support that view. The business community certainly and increasingly support the view that good, smart regulation can lead to growth, jobs, innovation and competitive advantage. What we really need to scrutinise and reform is outdated and excessive regulation, but that does not mean deregulation. I think the business community on the whole are very clear on this. There is a survey from PWC that shows that 72% of CEOs believe that regulation is important for good growth that is economically, environmentally and socially sustainable. Similarly, Accenture has done a survey of 1,000 CEOs recently that shows that they believe that their companies are getting to the limit of what they can achieve on their sustainability policies and are calling for more regulation and more Government leadership in order to deliver on those programmes.

Martin Spray: Can I give an example of regulation and its applicability to business? A chairman of a fairly successful and large building company that I know has said, for instance, that building regulations he does not find as a problem per se because it produces a level playing field in which they can then be competitive in other ways. What he is concerned about is pressure to, say, change his practices when the next door builder might not. That is an example. I think that also applies internationally, particularly within Europe, too. If you can get that kind of regulation that is going to put an even playing field across the whole of the European community, again it is helpful to business and to all of us.

Andrew Raingold: Going on to wider policy levers, I think where there has been less progress has been on the fiscal side. The Coalition Government do have a commitment to increase the proportion of green taxation, but I think what is very controversial is they changed the definition of what green taxation is. It does not include aviation or fuel taxes, and that is not consistent with European standards or the recommendations from the National Audit Office. If you take those more standard data sets, then it shows that green taxation is falling.

This is really a missed opportunity because if there is less Government spending available, if there is less appetite to regulate, and if you do not use some very sensible fiscal reform, then you really are running out of options. I think what we are seeing is that the voluntary approach in a number of areas is not delivering. It has also been very hard for the Government to reform its procurement to incentivise more sustainable procurement, which again is another lever. We would certainly like to see more leadership on the fiscal side.

Martin Harper: Andrew has covered one of the points I wanted to make. The only thing I would say is Professor Sir Bob Watson once said to me, maybe in the company of others, that no environmental issue has ever been solved by voluntary means alone. I think generally it is a case of being prepared to use any of those measures to deliver the outcome you want, which is where Trevor started.

Q11 Peter Aldous: If I move on to a specific question for Mr Harper and Mr Trotter, in the proposed Nature and Well-being Act, do you envisage building on and extending any particular policy levers that you feel might have been more successful?

Martin Harper: Maybe a quick rationale as to why and then over to Steve for a little bit of the how. Drawing some of the strands together from previous conversation, we feel that the Nature and Well-being Act might be able to do for nature's recovery what the Climate Change Act has aspired to do for reducing greenhouse gas emissions by legally setting targets for recovery, for putting in place the institutional arrangements for reporting and scrutinising progress, and then coming up with innovative ways of making it easier for people, Government and local authorities to do more for nature conservation.

In a sense, this is where we have reached after perhaps watching development of our ambitions for nature conservation over the last 20 years, recognising that we have had high ambition probably since the Earth Summit in 1992, which led to the Biodiversity Action Plan. But again, unfortunately, we have not seen the scale of recovery we need and it has often been just boxed into Defra or the old Department for the Environment, which is why we are looking for cross-Whitehall ownership of that issue. Maybe Steve can say a little bit more about some of the detail.

Steve Trotter: Yes. The vision for the proposal is to secure really significant improvements in the health and well-being of people, society and the economy through achieving the recovery of nature. I guess they are new policy levers that we are proposing, but they are based on some of the pilot work that is already going on. It is taking examples of good practice that are happening at the moment but perhaps not being applied everywhere, developing them and using them to underpin nature's recovery and the reconnection of people with nature. For example, in terms of recovery of nature, promoting and ensuring landscape-scale recovery of species, the NIA network, the 12 NIAs, are starting to show that. The RSPB and the Wildlife Trusts have a series of landscape-scale programmes, many of which are showing some fantastic results, but we need to scale them up. It is taking those pilots, if you like, that we have shown work and applying them at a larger scale.

The second one would be ensuring that the value of nature underpins decision making. We think the example of the Natural Capital Committee is a really good one and we have discussed already how that might be taken forward. It is a great idea that could be applied more generally.

In terms of planning for nature, we are very keen that spatial planning reflects the need for these ecological networks. Again, that is building on some good practice that is in place already. In many ways, probably the most important proposal is how we connect people with nature. There is superb evidence from a range of projects, around not only the UK but internationally, of the benefits that nature can bring to people in terms of their personal health, mental health and well-being, and development. We need to join up the NHS and education with environmental providers in a way that really delivers benefits to people and society. We can transform people's lives and also, I might add, cut costs in the NHS and for Government.

Q12 Peter Aldous: If I can move on and now get a little bit more specific, looking at one of the chapters in the National Audit Office's briefing, that on land-based biodiversity, I would

be interested if the panel has any specific concerns in this area. How would they assess progress since 2010?

Martin Harper: If you look at, for example, what has happened since 2010 regarding our finest wildlife sites, SSSIs, we have not seen the increase in the number of finest wildlife sites that are in favourable condition as we would like. This has been an agenda for the last 20 years or so where successive Governments have recognised that one of the building blocks of nature conservation is to ensure that your areas of natural and semi-natural habitat are well protected. Finest wildlife sites, SSSIs, alongside our local wildlife sites are an absolutely crucial starting point for helping to buy species time to adapt to a changing environment, to create source populations, which then go out into the wider countryside. Unfortunately, we have not seen the condition of these sites improve at the scale and pace that we would like.

Perhaps, alongside that, the ultimate currency of whether we are successful with nature conservation is what is happening to our species populations. While there are some winners and losers, we have reported as a group of NGOs last year through the “State of Nature” report that 60% of species for which we have data have shown decline pretty much in my lifetime; I was born in 1970. Obviously, change takes time, but on groups of organisms like farmland butterflies or farmland birds, we have not seen the recovery that we would like to see to bring back the colour and life into the countryside. Indeed, I am sure that the Department itself is a bit frustrated by the pace of change in these areas.

Q13 Peter Aldous: Do you feel this Government has performed worse than some of its predecessors or is this just a continuation of a trend that unfortunately might have been going on for some time?

Martin Harper: A bit of both. I think that there were chances for the Government to make the right choices, for example, over CAP—common agricultural policy—decisions, which could have, for example, provided more money to support agri-environment. It chose not to go for the maximum. It could have done more to try to put environmental conditions in place for payments that farmers received; it chose not to. There again, it has piloted nature improvement areas, which we think is a really exciting new agenda. It did publish the “Natural Environment White Paper” with that big ambition. I think there have been moments where the Government has been distracted by blind alleys, if I might put it, rather than focusing on the nitty-gritty of nature conservation and getting sites in good condition, for example.

Q14 Peter Aldous: Has it been a case, do you think, of distracted by blind alleys or been perhaps focusing very much on the growth agenda?

Martin Harper: Well, I think it has been quite clear that the overriding objective of this Government has been on growth. The Secretary of State of Defra has tried to couple growth with environmental protection. I just think that perhaps across Government the amount of effort that has gone into protection of the natural environment is not adequate to the scale of the challenge.

Q15 Chair: Sorry, Peter, if I may, just that bit about growth in environmental protection, that really is the core of it, isn't it? How does that get balanced out and what mechanism is needed to do that?

Martin Harper: It does partly go back to valuation. What are our concepts of growth and prosperity? If we want to benefit from the free services that nature gives us—for example, clean water or flood protection or stored carbon or beautiful places that we enjoy—then we have to invest in those places. We have not seen the level of investment, for example, in restoring our uplands or, indeed, restoring some of our lowlands that would guarantee those services to people. Those services are currently not part of the nation's accounts and that is perhaps why we have focused on other forms of growth.

Chair: Peter, I think Mr Spray and Mr Hutchings both want to come in.

Trevor Hutchings: Perhaps a very good example of that would be the NCC's report saying that improving fish stock management could deliver improvements of £1.4 billion to the UK economy. There is a really specific example. I would also draw on the low carbon economy, which in terms of growth opportunity is outstripping other sectors of the UK and global economy. Yet we see major opportunities on the Fourth Carbon Budget, but also around energy efficiency deployment and renewables deployment, which could drive growth in jobs much faster than some of the other sectors of the economy that seem to get greater attention.

Martin Spray: Can I also say that, yes, quite clearly, growth was an immediate issue that a Government has to tackle, but a Government is also the guardian of our future. Places like sites of special scientific interest are the jewels in the crown. They are the building blocks for future environmental enhancement and, therefore, to allow those to deteriorate further means we are removing options for the future and future generations. It is a balancing act, but it is one that I think is a challenge for a Government but it is what I would expect a Government to rise to.

Chair: Okay. Back to you, Peter; sorry about that.

Q16 Peter Aldous: The next point is: how useful do you feel that the metrics that are used to measure progress are? I am thinking of such things as Defra's biodiversity 2020 indicators. How useful are these metrics? Is there any scope, do you think, for improving and changing them?

Martin Harper: They are a good bundle of metrics, really good bundle of metrics. You are measuring the right things, real outcomes in terms of quality of water, what is happening to species, what is happening to sites. I think that there were a couple of areas—

Steve Trotter: There are some areas where I think we are concerned about gaps in the provision. For example, we have referred to local wildlife sites quite a bit. There is no national collated dataset that tells us now how they are doing or it is very difficult to be able to see.

The other big one is soils. There was a wonderful satellite picture taken during the floods over the winter of some huge plumes of brown river water going out into the ocean and the seas around it. We have no metrics about the national situation on soils and their quality and condition. That is a biggie.

Q17 Peter Aldous: If we move on from there, could we look at the local nature partnerships and the nature improvement areas that have been implemented by the Government? Do you feel they have been effective?

Steve Trotter: The local nature partnerships offer great promise and have offered great promise. Many of them have been set up with great enthusiasm and willingness and have engaged a whole range of new partners. We are almost at a crunch point with local nature partnerships at the moment because, as was referred to earlier, they have very few resources, certainly compared to the LEPs. We risk them being strangled at birth if we are not careful through lack of resource. There is a real challenge there. Some of them, one or two, are working tremendously well and have engaged well with their LEPs, but the vast majority I think are in a bit of a difficult position at the moment. If we are not careful, we are going to lose that enthusiasm and goodwill and the opportunity for them to do some really innovative and creative things for conservation.

Q18 Peter Aldous: Is this a concern, Mr Trotter, that has been made to Government and, if so, what sort of feedback has been received?

Steve Trotter: My understanding is that the concerns have been made to Government through two annual LNP conferences, meetings, in Defra. I think the response has been that there is no funding and we have to recognise we are in very difficult times, which everybody does but just a small amount of seed corn funding could go a long way for these embryonic organisations.

Q19 Peter Aldous: My final question, which I think both Mr Harper and Mr Trotter have touched on, relates to the newly negotiated common agricultural policy and the greening criteria. To what extent do you think that this has affected or will affect the state of the environment over the last few years? Has the Government's problem been they have had to accept what was on the table and they have been outvoted in negotiations in Brussels or have they not used the ammunition that might have been available to them?

Martin Harper: I can start. Some of the blame has to rest with the European Commission, the European Parliament and, indeed, the Council of Ministers for ultimately agreeing a common agricultural policy package that was not fit for dealing with all of the environmental challenges we faced in the farm environment. The design of the CAP arguably was a regressive step. Since 1992, the McSherry reforms, there had been a general direction, which was supported by the UK Government, of more money going into the second pillar, the one for which you get most public goods, and for whatever reason the Commission decided to put all the emphasis on the greening of pillar 1. That was a mistake.

Through negotiation, the UK tried to get the best of a bad deal that it could. It had an option post-deal to then put more money into the pillar 2. It had a chance to transfer up to 15%. It chose not to maximise that; it only went to 12.5%. It has said that it is prepared to consider moving more money into wildlife friendly farming schemes in 2015 and 2016. That will probably equate to about an extra £300 million or so, which would be excellent news for nature conservation. It could have done more to put conditions on the single farm payment through the greening measure. It chose not to. It chose, essentially, to allow commercial crops like legumes crops, peas and things, to basically count as your green payment.

At our commercial farm in Cambridgeshire, peas happen to be our most profitable crop at the moment and, therefore, we will not have to make any changes and we will be able to justify the payment that we get through the single farm payment on the back of our

commercial crop. Again, we think that was a missed opportunity. They were dealt a bad hand but they could have made more out of the hand that they were dealt.

Andrew Raingold: I would like to come in on the point on green and growth because clearly environmental policy is a core driver for the economy. The environmental goods and services sector is worth 120 billion. It has driven a third of all growth in the UK according to the CPI and has the potential to halve the UK's trade deficit by 2015. Now, the driver there is, first, long, loud and legal policy frameworks. That is a key driver, but also increasingly we are seeing around the world action on the supply side. We are in dialogue with the Department for Business on how the industrial strategy, for example, could be improved to deliver more sustainable outcomes.

In this particular area of biodiversity, I think the Government has shown leadership with setting up the Ecosystem Markets Task Force, which was led by Sir Ian Cheshire and also our chairman, Peter Young, sat on the taskforce. They recommended a number of areas where you could grasp opportunities in the biodiversity space. One of them was biodiversity offsetting, a national mandatory scheme. Another was on water catchment. There was also a recommendation on environmental bonds. There is lots of analysis that has gone in there and I think now that has been reported and we have had a year since the report, there has been less appetite from Government in terms of following through on those recommendations, which were generally pretty much welcomed by the Defra Secretary of State.

Chair: You wanted to come in, Mr Trotter.

Steve Trotter: Yes. I agree with a lot of what Martin said earlier, but I think overall we have seen a fragmented approach to the CAP discussions in Defra and the environmental outcomes of that. We have not integrated or recognised the interdependencies of the environment and farming adequately in the process. The protracted nature of the discussion negotiations also led to certain uncertainties, which have had significant impacts.

For example, the uncertainty around greening inadvertently led to an increase in the amount of ploughing and loss of permanent grassland, which we are particularly concerned about, particularly with the background data that we have on the loss of bio-diverse grasslands. As I am sure everybody is aware, we had lost about 97% of our wildflower-rich grasslands up until the 1980s. We have continued that loss and that has accelerated over the uncertainties around CAP.

It is really important that we have some certainties and consistency in the way that we explain changes in policy. It is particularly interesting at the moment that we are seeing a national concern about pollinator decline or potential pollinator decline. These permanent grasslands are core to those pollinators and their populations. In other places in the CAP reform process, we are paying farmers to plant wildflower headlands to replace the ones that we are also allowing to be lost at the same time. There is some inconsistency in the way that we deliver policy.

Q20 Caroline Nokes: One of the other chapters in the NAO report is on forests. I would like to ask the panel what they think are the main challenges in that area and how they would assess progress since 2010.

Martin Harper: To start off briefly, I think that unfortunately this Government has chosen not to finish a conversation it started regarding forests. We do not need to rerun the public furore regarding the proposed and perceived sell-off of the public forest estate, but I think the great disappointment that we all have from those people who love trees and forests is that the Government—one of the members of your Committee—launched an independent inquiry into what we should do about the future of public forestry and the public forestry estate.

The Bishop of Liverpool came up with a great series of recommendations about how you would guarantee the long-term future of our public forest estate. Unfortunately, the Government has failed to enact on those measures and it has not found parliamentary time to do so. There is unfinished business about how you guarantee all of the benefits that the public forest estate gives us as society, and unfortunately that has meant that we have lost out in this interim period. I think it is a shame that a conversation has been opened up and has not been finished off in this cycle of Government.

Trevor Hutchings: Perhaps I could also add the related issue of the trade in illegal timber, which is a hugely important issue in this respect. Although the European Commission has put in place EU timber regulations, we are concerned that they seem to only attract or capture about half of the trade in timber imports into the UK. There are some major gaps that are quite unexplainable; for example, tables are covered by the regulations but chairs are not. There are other examples of that. I think there is a real opportunity here for the UK Government to show leadership with those regulations coming up for review shortly. The EU timber regulations, they are collectively called.

There is a real opportunity here to show leadership to close some of these gaps. Related to that is also the Government's own procurement policy on timber, which is one of purchasing FSC-accredited timber, but we are really struggling to understand and to see evidence of how that policy is being implemented across Whitehall Departments. I think some greater transparency there would really help show leadership, that the Government is taking this seriously, and then gives them the mandate to go in and push for stronger reform of those regulations at the EU level.

Steve Trotter: We obviously very much support the planting of trees and woodlands. Our general observation would be that it is really important that we have the right trees in the right place and for the right reasons and that that spatial planning could be determined by local people at the local level. That is the right place for it, although there is probably a need for a strategic approach as well.

Chair: Could I ask you to use the microphone a bit closer?

Steve Trotter: Sorry. Do you want me to repeat that?

Chair: No, that is fine.

Steve Trotter: Okay. They have a really important role to play in terms of nature's recovery and this concept of ecological networks and connected networks.

Chair: Before we move on, I think Zac wanted to come in.

Q21 Zac Goldsmith: Just on the first point that Trevor made in relation to procurement—so procurement of timber but also procurement of products that have an impact in relation to forests overseas. You just briefly touched on it and I was hoping you could expand. What more should and could be done in relation to Government procurement?

Trevor Hutchings: There is a Government procurement policy, which, looking at timber, as I understand it, is one of purchasing FSC-accredited timber. That gives some assurance that it is sustainable and legally sourced. The issue we have is one of implementation. Is that policy effectively implemented across all Whitehall Departments? Are they being able to report against that framework on their performance? Our assessment is that it is not very transparent and we are not confident that this policy is being implemented effectively. There are then opportunities to go on, perhaps, into MSC—Marine Stewardship Council—accredited fish stocks across the public sector as well.

Q22 Zac Goldsmith: Sorry, can I just interrupt? What would be the best mechanism for ensuring a coherent, sustainable procurement approach from Government across the board? What is the best mechanism for measuring that and for implementing it? What is missing in the process?

Trevor Hutchings: Sure. The actual policy is a sound one of purchasing in this case FSC-accredited wood products. The issue—

Q23 Chair: Sorry, just before you carry on, is there anybody who is meant to be implementing that right now? Sorry to cut across you, Zac.

Trevor Hutchings: Yes. I understand the Cabinet Office is responsible for ensuring that this policy is implemented by central Government Departments. Central Government Department procurement policy should follow these guidelines, and we would expect those guidelines to be followed and to be reported on in a transparent way. In respect of timber, it is not clear that there is monitoring and reporting of how those procurement policies are being implemented. That is the issue.

Q24 Zac Goldsmith: In the context of this review we are doing at the moment of benchmarks and priorities, how big an issue would it be to get procurement right, not just in relation to timber but across the board, to have a really clear procurement policy and a mechanism at the heart of Government—to ensure that it is not only implemented but it is transparently and clearly reported? Would that be a major priority for you? How much could be achieved?

Trevor Hutchings: I think it is very difficult for Government to advocate policies that affect businesses and individuals, consumers, without showing leadership themselves in terms of their own procurement policy, reducing their own carbon footprint, dealing with waste, dealing with water.

Of course, the Government has come a long way and there is a greening Government commitment across all of these areas. It is one of implementation and reporting and it is not clear that the Cabinet Committee—or the Greening Government Committee I think it is referred to—is taking a firm role in ensuring proper implementation. The role that that committee seems to be taking at the moment is one of just reporting but, as I say, not reporting adequately, in our view, on the purchase of timber. We would like to see a much

more rigorous oversight of implementation of this strategy. I think the actual strategy is sound but the actual implementation of that is where the shortcomings are.

Andrew Raingold: On the wider procurement, it is clearly a really core lever. It can effect very big change and it is routinely under-utilised. We have found that the quite standard Defra approach is minimum standards. It is minimum standards across a number of areas and there is absolutely no enforcement. I very much agree with Trevor's view that enforcement seems to be non-existent, particularly from an external perspective. Even the method of minimum standards is missing an opportunity because it does not provide businesses any incentive to go above those standards. What businesses really want to do is differentiate their product instead of this tick-boxing—"We have met the standard". I think that an area where a lot of improvement could be made is changing the rules so businesses and suppliers can differentiate their products on environmental and other aspects rather than just price alone.

Q25 Zac Goldsmith: Sorry, I am completely butting in. How much money is spent by Government on timber and timber-related products? While I have the floor, how much Government procurement budget could be diverted towards sustainable aims, so not just timber but other issues as well? Two questions in one.

Trevor Hutchings: I might have to get back to you on the first and we are more than happy to do that. My understanding is there is something in the order of £120 billion of public sector expenditure every year and that is a huge amount of expenditure that could leverage higher standards, as Andrew was saying, whether it is on energy efficiency; I talked about MSC accreditation. I think that is an area that there is a gap at the moment.

Now, I think we all accept, though, of course, there are huge demands on public procurement policy because we might be pushing for environmental demands but they will have to be balanced against other demands. I understand that it is a huge challenge, but I think there are some quick wins that could be made in diverting some of the £120 billion of spending power to leverage greater standards.

Chair: Anybody else want to come in?

Andrew Raingold: A lot of the time that can be achieved at the same cost, so it is a question of just asking for what you want. At the moment, the Government tends to just ask for the lowest price and that tends to be what it gets. If you look at the best practice in the private sector, companies tend to give a range of requirements, not just economically environmental and social, and they expect that at the same price. It is question of more effective procurement rather than calling it green procurement a lot of the time.

Q26 Chair: Do you think there should be more ambition in respect of procurement?

Andrew Raingold: I think it is a complicated area. I think there should be more ambition, and I talked about minimum standards. The other area is on innovative procurement—and this is very much the US model—looking at very specific challenges. Let us say circular economy and trying to innovate to create things that do not currently exist. That does take a lot of resource and a lot of effort but the outcomes can really help transform a marketplace.

Chair: Thank you. Back to you, Caroline.

Q27 Caroline Nokes: I was going back to forestry and procurement. None of you mentioned progress. There was quite a lot of criticism but no mention of progress, so I just wondered whether you thought the metrics we use to measure progress were the right ones and whether they have shown any.

Martin Harper: Do you mean forestry specifically?

Caroline Nokes: Yes, forestry specifically.

Martin Harper: We are usually interested in any natural asset. We are interested in condition and stock, so how much of that habitat do we have and what condition is it in? I think when it comes to woodlands, we know whether it is woodland butterflies or woodland plants or indeed some specialist woodland herbs; they are, unfortunately, declining.

Much more needs to be done to get our woodlands better managed into better condition. Indeed, there is some good news there. I think there is some pilot work going on in the West Midlands at the moment, looking at working with the Forestry Commission and foresters themselves about how they can get better management into their woodlands to generate income through wood products and, at the same time, to get the structures in place to allow these different bits of bio diversity to flourish.

I think arguably there has been too much focus on the amount of woodlands, perhaps not enough on the quality of our woodlands, but I would go back to the earlier point that it is a version of procurement in a way; it is that the Government has some assets on its balance sheet, the Public Forest Estate, and it could be doing more to try to maximise the benefits for people. Unfortunately, we have not finished off that conversation.

Q28 Caroline Nokes: Anyone else on that? No, fine. Can I just take you back to that quantity, not quality, point? As you said, there has been a lot of focus on how much woodland cover there is. We know it is at the highest level for 600 years but do you think the ambition to increase it to 12% by 2060 is realistic?

Martin Harper: The Government has the laudable ambition of creating something like 200,000 hectares of new habitat by 2020, and a proportion of that is going to be woodland. There is going to be some new heath land and wetland, hopefully. I think it goes back to how you plan for that new habitat in the right place.

One thing I think Steve and I alluded to earlier but did not say more about is how you factor that into decision making locally and spatially. Under the National Planning Policy framework at the moment, there is an obligation on local authorities to effectively produce habitat opportunity maps and habitat creation maps. That, if enacted by local authorities, would help you make your choices about where you put your woodland and wetlands. You can make some smart judgements about that because obviously you do not say you want to put trees in sensitive wetland or heath land areas but you might want to put them along river valleys or whatever it might be to help in terms of storage of water. You can make some choices, but you need to plan for that.

Sometimes parts of Government operate in isolation and they need to be brought together to basically provide the right bits of biodiversity in the right place.

Q29 Caroline Nokes: Do you think the onus on the NPPF about delivering housing numbers creates a focus in not necessarily always the right place? Whilst we accept that you can get planning gains from that development, the local authorities' focus has not been on, "Well, okay, how do we improve the natural environment alongside that?" but more, "Oh well, it comes as an afterthought" as it were.

Martin Harper: If we are going to build 200,000 new homes every year by 2020—I don't know whether that is a cross-party commitment; it is certainly a Government commitment—then there is an issue about where you build them, making sure you do not build them in sensitive places because that will add to the problems associated with wildlife. Then there is the issue about what sort of house design in terms of the energy usage of those individual developments and then there is what sort of communities do we want people to live in and our children to grow up in and are they having contact with the natural world as part of their day to day lives?

There is partly an issue about standards and how you raise them in terms of new build but there is partly an issue about who is planning at a local authority level that takes into account some of those natural assets that we either currently have or want to have in the future. As I say, I think it is patchy at the moment and could be done much better.

Q30 Zac Goldsmith: A last question for Mr Harper. I remember being shown, admittedly a few years ago, a map by a farmer who had sought European subsidies for tree planting. The point he was making was that the good farmlands, the flatlands, were areas where he could receive very generous subsidies for planting trees, whereas he could get no subsidies at all for putting the trees on the very steep slopes, which probably shouldn't have been grazed. It just seemed to me to be completely back to front if we do not want to lose good farmland, but there are very heavy slopes that are damaged badly and eroded badly by too much cattle, too much grazing. Is that still the case and is that something that ought to be looked at?

Martin Harper: I do not want to move beyond the realms of my capability. The short answer is I think we need to come back to you on that, but if your question is are we managing our land sensibly and creatively and putting the right habitats in the right place and nurturing them and does the policy environment enable that to happen, I think the answer has to be no. We are still growing maize in flood plain areas than planting down the slope. We do not have sensible rules in place to prevent silly things from happening. I do not think there is perhaps adequate guidance about location of some of these planting schemes, but maybe colleagues on the platform know more about this than I do.

Steve Trotter: I was going back to the previous question. One of the other key issues is the pressure on ancient woodland, so as the pressure on land use grows, we are seeing significant impacts on ancient woodland. They are the crown jewels of our woodland resource and asset, which we would certainly be very concerned about and I know others would be too.

In terms of a positive side, I think we are seeing, after many years of effort, some signs of a recovery in the markets for timber from some of these undermanaged woodlands that Martin referred to earlier, particularly in terms of fuel and energy. It is a very difficult process because it is very difficult to get the supply chain and the market linked up. It takes quite a bit of time and effort and energy but, in certain parts of the country, there are some very strong signs that the wood fuel market is helping to fund and regenerate the

interest in woodland management amongst landowners, which is a good, positive sign. If you are asking for some positives, that is a positive and we need to continue to nurture and encourage that, so a renewable energy supply that is going into local sources of energy consumption.

Q31 Dr Whitehead: Let us turn to progress on soil. One thing I have in mind is the question of the retention of green gases by soil and the extent to which degradation releases such gases. Are you bearing that in mind? Are you happy with the metrics that are in place to make sure there is progress on soil quality?

Steve Trotter: I think the answer to that is probably no. As was mentioned before, the metrics on soils are not clear and could do with some refinement. On a national scale, the efficiency and effectiveness with which we are managing our soil resource is unclear but there are certainly anecdotal signs that there are significant problems with our soil resource. We are seeing significant rates of erosion in certain places and not achieving the kind of carbon storage we might if we managed our soils. That is very clear in the agricultural situation where many soils are now more sustainably in a very tenuous condition, perilous condition. It needs to be looked at, yes.

Q32 Dr Whitehead: In your view, what is the sort of range of difference that better investigation and better practice might make as far as soil quality is concerned? Assuming, number one, we had a much better picture of where and how degradation is taking place and number two, we had some sort of planning in place to deal with it, what sort of real difference might that make, do you think?

Steve Trotter: I think we would have to get back to you on the details of that. In terms of some of the work that has been done recently, for example, it has been shown that permanent grassland that is well managed can store a considerably higher level of carbon than intensively managed agricultural soils. It all hinges on the organic matter and the way in which the soil is managed. Certainly, for example, in Devon, they call them “grasslands of Devon”, which are a semi-natural type of grassland, permanent grassland store, and can store in the range of about 10 times the amount of carbon that similar soils nearby that are under more intensive regimes can. There can be significant differences.

Of course, one of the key areas is in the uplands where peatland degradation is a significant issue. The UK and England store significant amounts of carbon in these upland soil environments. There has been some good news in terms of a range of partnerships that are public and private and voluntary partnerships that have been restoring these peatlands from their historic problems—for example, in Yorkshire. The Yorkshire Peat Partnership has restored about 18,000 hectares of peatland over the last few years through public, private and voluntary efforts. We are still seeing a huge amount of degradation of upland peat across the peats through a range of factors: drainage, pollution, over grazing, burning are all significant issues that need to be addressed.

Q33 Dr Whitehead: That is one area where we do have some sort of data. I was thinking over the last 10 years—the Committee on Climate Change, estimations on SSSIs and upland areas. The upland areas are associated indeed with deep levels of peat and the extent to which they might be classified as favourable and unfavourable, unfavourable recovering, unfavourable declining. What they have produced is in terms of the square kilometres of those sites that were favourable in 2003: there is a decline between 2003 and 2013, quite a

substantial decline. On the other hand in terms of sites that are regarded as unfavourable but are recovering, there is a very substantial increase. In your view, how does that work out overall particularly in terms of your remarks? One presumably could conclude that is a patchy picture, but I guess there is rather more to it than that.

Steve Trotter: I think it is a very patchy picture and in some places we are doing very well. Overall, however, I think we are not on target to meet the IUCN target, for example, which was to restore about 1 million hectares in the UK and about 700,000 hectares in England. We have shown we can do it but we have not scaled up the response to meet the need if we are going to effectively conserve and look after the peat resource we have.

Martin Harper: If I may just add a timely point. I think you are absolutely right to draw attention to the condition of our peatland/upland, of their size. I think something like 10% of our peat base triple their size in the hills, 160,000 or so hectares are in a favourable condition, only 10%. That means 90% are not. There is quite a lot of work being led by the department, Defra and also Natural England at the moment looking at the environmental impacts on various forms of upland management—for example, on burning. That has shown that in terms of excessive burning on peat soils, it would essentially lead to greenhouse gas emissions and also deterioration on water quality. The evidence in this area is growing that there is a problem and then the challenge will be for decision makers to then respond to that challenge.

I think you are absolutely right to put a spotlight on this area. Indeed, the Natural Capital Committee, when it looked at which assets were being used unsustainably, the uplands, and particularly peat soils, were one they put a spotlight on.

Steve Trotter: The impacts are much wider than just the uplands. Some 70% of the English population get their water from uplands and there are huge costs that the water companies incur through having to clean the contaminated water that comes off these eroding peatland systems. Much of that brown colourings have been landfill sites, so potentially by a bit of prevention at source, we can have some positive comebacks both in the environment and for people's bills and health.

Q34 Dr Whitehead: I was interested to think for a moment on the unfavourable recovery—now, apparently, the vast majority of classifications of those upland SSSIs. Is that a question of not doing anything worse to them so they recover over a period of time? Is it active management that clearly requires substantial intervention and quite a lot of investment to do so?

Steve Trotter: My understanding is that to meet that status, a moorland SSSI would have a plan or some action in place that convinces Natural England that eventually will lead to recovery of the peatland on that site. It does not necessarily have to have happened to achieve that classification.

Martin Harper: That is absolutely right. If a plan is in place to address the concerns of the reason why that site is in poor condition, then that is the trigger by which it moves into the unfavourable recovery state. There are then two issues about that. How long does it take to get some of those peatlands into best condition? There are lots of examples of good things you can do to restore those peatlands quickly.

The second issue that is live at the moment is whether the measures in the plan are consistent with the consultation objectives of those sites. Arguably we think burning on peat soils is inconsistent with achieving those objectives.

Q35 Chair: Okay. Just before we move on, can I ask about contaminated land? Giving the fact that Defra or the Government is going to be phasing out the ring-fenced money for contaminated land, is that an issue of concern? Just very briefly. No?

Martin Harper: Perhaps. Maybe we can get back to you.

Steve Trotter: It could be at a local level.

Chair: Okay. If you wish to get back at some later stage, that would be fine.

Q36 Caroline Nokes: I want to move on to freshwater. I come from the Test Valley, so it is no surprise that I am interested in particular rivers. I was interested in what Mr Spray had to say about flooding. I do wish people would not focus solely on the Somerset levels; Hampshire was affected, too.

Just some questions on freshwater environment and whether the metrics currently being used to measure progress are good enough.

Martin Spray: Yes, I think so. I am not sure the progress is good enough, but that is a different matter. Again it goes back to what I was saying earlier about the fact that we need a much more strategic approach to the way we manage our water in this country. It is not only the flooding issue; it is about the continued use of water in the right quantities. It is about abstraction, particularly in low flow river systems, and it is about water quality as well.

We could definitely find imaginative ways of recreating wetlands within this country that benefit people. We have diffused pollution problems in farming that could be handled through wetland treatment systems, natural wetland treatment systems that can treat the water quality, hold back water on the farmland to provide an environment for biodiversity as well.

Similarly, sustainable drainage systems can be put into the built environment in particular. It is much easier to put them in if it is new build and you can design that in. That helps localise flooding problems and provide wildlife habitat and, in fact, a nicer environment for the people who live there. There are a lot of things we can do if we look at it in a very strategic manner but it is going to mean some decisions over abstraction licences and suchlike.

Chair: Does anyone else want to add anything to that?

Trevor Hutchings: Just to echo the point made around the recent Water Bill. It was a bit of a missed opportunity to reform obstruction licensing. I think also around ensuring that water is affordable and the role of water metering and sustainable consumption of water is key.

On your point about indicators, I guess we look to the Water Framework Directive and the ecological status of our rivers and three-quarters are not meeting that requirement at the moment. What is striking though, is that there are some great examples out there about

how you can turn this around. WWF have a project on the River Nar looking at exactly that and through quite modest amounts of investment but through proper and active management can turn round the quality of watercourses relatively quickly. That is a sort of flagship project for us. It does give us an example that we would like to have replicated across the country.

Q37 Caroline Nokes: Although you agree the metrics are good enough, what do you think would be the most effective ways to make improvements particularly in the case of diffuse pollution?

Martin Spray: Yes. There are different ways of looking at this. For instance, there is diffused pollution straight into our river systems, which is something that has been discussed for many, many years now. If buffer systems could be created along river systems, we would have better wildlife habitat, we would have corridors that enable perhaps adaptation more easily by some species to climate change and we would not be putting farm orientated pollutants directly into the rivers that then have to be treated by the water companies at further expense to the British public. That is one example.

The other is what I said before: natural wetland treatment systems on farms and in other areas where water needs to be treated, perhaps coming off roads even.

Q38 Caroline Nokes: Mr Hutchings, you mentioned water quality and the number of rivers in particular that are not reaching good ecological status. The Government's target is for 32% of them to get there by 2015, so next year. Is that realistic?

Trevor Hutchings: I think this is going to be particularly challenging given that the direction of travel is currently in the wrong direction. I think that illustrates the need for a focus on this issue. Maybe our colleagues here have a greater foresight on whether this is achievable or not but certainly we need to reverse the current trend.

Q39 Caroline Nokes: How?

Trevor Hutchings: Colleagues are welcome to come in but clearly this is about looking at more innovative ways of managing water courses. It was mentioned in the context of flooding earlier. More upstream management of our watercourses can help avoid the peat flows further downstream. Various different approaches we heard about—diffuse pollution and solutions to that. There is no silver bullet; I think that is clear. There is a range of packaged measures that need to be taken to reverse that trend.

Q40 Dr Whitehead: Since I represent the constituency out of which Caroline's river flows into the sea, it is appropriate that I should now talk about the marine environment. The Government has been in the process of implementing the EU Marine Strategy Framework Directive since 2008. It is fairly late in the day in consulting about how best to monitor the marine environment but it is supposed to achieve that environmental status on WF Directive and proactivity by 2020. How do you think that is going?

Trevor Hutchings: Perhaps I will have a go. This is clearly a challenge and we very much look to a more coherent approach to management of the marine environment and marine spatial planning is one way of doing that, looking across the piece of fisheries, aggregate extraction, oil and gas, whatever it may be, to ensure that the marine environment is managed in a holistic way. That will also help identify some of the threats to achieving

good ecological status as required by the Marine Strategy Framework Directive, as you mentioned.

It is also very much looking at how users of the marine environment can have a greater say in how the marine environment is managed so there are real practical approaches at the local level to look at some of the challenges we face. Fish stocks, for example, are a key indicator of achieving a good, ecological status and, therefore, we need to see effective fishery management put in place. The implementation of the Common Fisheries Policy is a key focus of that and there will be other areas of marine environment management that will also contribute to achieving good, ecological status.

Martin Harper: I can come in a little bit more if you like. I think it is fair to say this is probably an area where the targets, the indicators, the monitoring programmes and the data collection are inadequate. It was very instructive that when Defra did its review of the implementation of the habitats' regulations to work out whether it was a constraint on business, one of them being blockage. One of the problems it found was lack of implementation of the Habitats and Birds Directive in the marine environment that led to some of the problems. There had not been adequate investment to understand where the most important areas are for wildlife and indeed, the pace at which we have been able to implement our Natura 2000 sites. Unfortunately it has been very slow.

This is a long-term failure of Government, of successive Governments, to invest in understanding what is happening to our natural environment. I think sitting here today, we still feel as though there is not adequate investment not only to protect the most important places, to get our ecologically coherent network of sites in place, but also to inform the development to make sure that things like offshore wind farms get built in the right place.

We are growing our understanding of what is happening and we have invested quite a lot from the RSPB in terms of understanding where seabirds go, and they are quite faithful to some of the feeding grounds offshore. It is possible to identify where potentially some of the existence of foraging grounds might be and where protected areas might be and potentially understand more of the nature of the risk in terms of collision—for example, the displacement from wind turbines.

If you just use an individual bird example like the kittiwake, which we have internationally important populations of here in this country, it is declining at pace. The issues it is facing are dramatic. Warming seas are almost certainly changing the composition and emergence of phytoplankton. That is having a knock-on impact on the zooplankton, which, of course, affects, sadly, all populations that are perhaps being overexploited. There are all sorts of challenges facing our marine wildlife and, at the moment, they are out of sight, out of mind and we have not spent enough time and effort to do something about it.

The Marine Act, which has cross-party support, is beginning to be implemented. The Marine Strategy Framework Directive is beginning to be implemented but arguably, it is still the poor sister of terrestrial nature conservation.

Martin Spray: May I just say this is an area where you can see a positive and a disappointment as far as Government progress is concerned? The Common Fisheries Policy reform: I think the Government went into that in a very strong way and showed

investment in future thinking. I certainly hope we can get a better performance for our fisheries industry in the future as well. The designation of 27 marine conservation zones, out of 127 identified by a considerable amount of work by the scientific community in producing an ecologically coherent network around our seas, is disappointing because if that was an ecologically coherent network, then 27 is not and, therefore, we are not going to achieve that kind of ecological benefit that we all want.

Q41 Dr Whitehead: I know we are up against time but I want to ask about the marine conservation zones, obviously stemming from the Marine Act. Would that be it as far as getting much better management in the marine environment is concerned? Say we implemented—let's just fantasise for a moment—all the marine conservation zones that have been principally designated, all 127, would that be it? What other things might then be done?

Trevor Hutchings: That is a wonderful thought. The marine conservation zones are part of the network of marine protected areas, which is the coherent network that we want. That is only one system of management.

I referred earlier on about marine spatial planning. There will be other fisheries regulations that need to apply beyond marine conservation zones or marine protected areas on quota, minimum sizes, net sizes, all of those. There will still be a requirement for those and I think our focus at the moment is very much on proper implementation of the MPA network but also of the Common Fisheries Policy, which has been reformed. I think the Government should be congratulated on the work there. That will amount to nothing unless it is properly implemented on the ground, and that is very much where the focus should be now.

Steve Trotter: I think from the Wildlife Trust perspective, we welcome the designation of the 27 and tranche 2 and 3 are promised and we very much encourage Government to get on and designate them. We are very much looking forward to that and we welcome that development. I think the key is how we manage these zones once they have been designated. That is where the difficulty comes and we are having issues with the amount of data and information we have about some of these sites.

There are also some potentially difficult areas we need to negotiate and find some win/win solutions over for the future. It is how we manage these types but there have been some very good signs in the European marine sites, for example; I think the Government has tackled the red list issues that were facing some of those sites. Some of the damaging operations that were taking place in those sites have now been addressed, which is great news, but we need to move on to the amber and to the wider management of the network.

Chair: Okay. It might be helpful if I say we are expecting a vote at 4.00 pm and we have two more questions.

Q42 Mark Lazarowicz: On the issue of biodiversity, our report suggests a mixed picture; some areas of progress, some areas where things have fallen back. The submission by the Wildlife Trust and RSPB highlights a number of areas where there has been decline of an area with important questions. Why we looked at it in our report earlier this year was the impact of climate change on the dissolution of species. Clearly over the period of time we are looking at, it was difficult to reach conclusions and I understand all that. First of all, what is your assessment of how far that is an issue? In particular, our concern was about the

conveyance of species and more generally not the general effect of climate change, but specific effect on the biodiversity of spread of species. Is that something the Government is taking account of sufficiently at the moment?

Martin Harper: If I may just say one or two things about this. I think this is a growing area of importance. I refer the Committee to an excellent new publication by a couple of scientists called “Birds and Climate Change” that looks at the science of climate change, the impacts on birds as we understand it and indeed, the relative merits of various responses. There is a growing evidence base looking at what is happening to the natural world of birds with climate change. For example, we are seeing, on average, species move in terms of their range about 0.8 kilometres a year north-east and under various warming scenarios, the prediction is that species might move up to 450 kilometres north-east. There is a march polewards and, of course, those species will only flourish and survive if the habitat they are moving into is in good management.

I think it is fair to say that the Lawton paper “Making Space for Nature” and indeed the Natural Environment White Paper understood the important ecological principles of ensuring the existing protected areas are well managed, that they are well buffered and they are extended. Principles now borne out in new literature show, for example, that potentially the range of climate colonists, new arrivals, species like the great white egret, which I was happy enough to see on Natural England’s NNR yesterday, is moving northwards. These new climate colonists are disproportionately choosing to start their new lives in protected areas in the United Kingdom.

Q43 Mark Lazarowicz: Why is that?

Martin Harper: Probably because they are well managed, natural habitats that they recognise from where they have just come from and they are providing what those species need to flourish.

I think the Government does recognise the need to put in place adaptation measures to allow wildlife to adapt to changing climate. There is recognition of the growing risks that certain species will face to a warming environment and a more unpredictable environment and I think there is also a recognition that some threats are likely to grow. For example, the growing threat about a nominated invasive species—I think the Government is absolutely clocked on that. It is one of those measures they obviously want to take more action in terms of regulation. There are new proposals in the new Infrastructure Bill to do just that. I think this is a growing area of consciousness. I think that some of the principles around nature conservation planning and adaptation are in place. They just need to be enacted.

Q44 Mark Lazarowicz: On that point, one of the concerns we also had was about the degree to which there was adequate co-ordination. It is a very big issue and we have no time for details but again, do you think that is an area where the Government is onboard in terms of seeking European-wide action or not? Perhaps as brief as you can, given the time.

Martin Harper: My perspective is yes, I think so. We had a good Invasive Directive that was agreed at European level. It wasn’t as good as we would like and indeed, the UK Government is now putting in place more measures to essentially restrict the movement of potentially invasive species. Over the last 10 years, the Government has created a better

risk assessment framework to look at which species might be arriving, what is the track record of those species and whether one should intervene quickly or not in a preventative fashion to try to deal with the problem quickly. My sense is that Defra absolutely gets this issue, are meeting regularly to consider the potential threats and hopefully will be taking action.

Q45 Mrs Spelman: A very quick question; I will confine it to one. I want to ask you about environmental wildlife crimes. To what extent do you think environmental legislation is helping us protect the environment from these and what changes do you think we still need to make? Do you think the Law Commission on wildlife crime may produce something we could add to?

Martin Harper: I am very happy to kick off. We have particular concerns at the RSPB about issues relating to persecution of birds of prey, particularly where they come into conflict with shooting interests. In Scotland, there has been the introduction of an offence of vicarious liability on landowners for the actions of their gamekeepers, for example. We think such a measure should be put into place in England.

We would go further and suggest there now ought to be a licensing system in place for driven grouse shoots—the most intensive form of shooting—to try to improve the environmental outcomes of that sector. I think the Law Commission’s inquiry has flushed out loads of good things. We would like it to go further than vicarious liability. It has suggested exploring licensing as indeed the Scottish Government had and they will be the two areas that we would hope the next Government, of whatever colour, takes forward.

Mrs Spelman: Very helpful, thank you. Anyone else?

Trevor Hutchings: Just to add on the international side. Clearly trade in illegal wildlife is still a huge issue. I think the Government should be congratulated on the leadership they have shown on tackling this issue recently and we need to follow that through to implementation.

We have been asking for the Wildlife Crime Unit’s future funding to be underpinned on a long-term basis. I think there has been a recent change to ensure their funding for the year ahead but we would like to see that put on a permanent footing.

Q46 Chair: What about the wider aspects of environmental enforcement or failure to comply and aspects of legislation there?

Trevor Hutchings: Earlier on, we touched on the importance of getting the right instrument to ensure effective implementation. Of course, enforcement is absolutely key to that and having those adequate enforcement resources. There are various areas where that is very good. Where I think it is less good and where there are huge challenges would be on tackling illegal, unreported, unregulated fisheries. That is becoming a global issue of concern. I am not entirely confident that this Government has the resources to tackle that growing issue and the consequences that has, not just in this country, for fish stocks and those that depend on fish stocks worldwide.

Chair: Okay. I am very conscious that very shortly the Division Lobby bell is going to go. I am going to bring this session to an end. Can I thank each of you for coming along this afternoon and sharing your concerns with us? Finally, I wish to say that we necessarily had to

drill down to some of the issues and we tried to counter with the strategic aspects at the start, which I know Mr Raingold is particularly interested in. If you have any comments on elements of the overall overarching strategy that you think have not yet been discussed, please do send them in. I bring the Committee session to a close. Thank you very much.